

Bill No. CS for SB 1992, 1st Eng.

Amendment No.     

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senators King, Thomas and Burt moved the following amendment:		
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13	<b>Senate Amendment (with title amendment)</b>		
14	On page 36, lines 24 and 25, delete those lines		
15			
16	and insert:		
17	Section 24. Effective October 1, 2001, section		
18	624.461, Florida Statutes, is amended to read:		
19	624.461 Definition.--For the purposes of the Florida		
20	Insurance Code, "self-insurance fund" means <del>both</del> commercial		
21	self-insurance funds organized under s. 624.462, <u>and</u> group		
22	self-insurance funds organized under s. 624.4621, <u>and local</u>		
23	<u>government self-insurance funds organized under s. 624.4622.</u>		
24	The term "self-insurance fund" does not include a governmental		
25	self-insurance pool created under s. 768.28(15).		
26	Section 25. Effective October 1, 2001, subsections		
27	(7), (8), and (9) of section 624.4621, Florida Statutes, are		
28	amended to read:		
29	624.4621 Group self-insurance funds.--		
30	(7) Premiums, contributions, and assessments received		
31	by a group self-insurer's fund are subject to ss. 624.509(1)		

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1 and (2) and 624.5092, except that the tax rate shall be 1.6  
 2 percent of the gross amount of such premiums, contributions,  
 3 and assessments. This subsection does not apply to a local  
 4 government self-insurance fund organized under s. 624.4622.

5 (8) This section does not apply to any program,  
 6 intergovernmental agreement, cooperative effort, consortium,  
 7 or agency through which two or more governmental entities,  
 8 without pooling their liabilities, administer the payment of  
 9 workers' compensation to their respective employees, except  
 10 for a local government self-insurance fund organized under s.  
 11 624.4622.

12 (9) A group self-insurance fund shall participate in  
 13 the Florida Workers' Compensation Insurance Self-Insurance  
 14 Fund Guaranty Association.

15 Section 26. Effective October 1, 2001, subsection (2)  
 16 of section 624.4622, Florida Statutes, is amended to read:

17 624.4622 Local government self-insurance funds.--

18 (2) A local government self-insurance fund that meets  
 19 the requirements of this section is ~~not~~ subject to s. 624.4621  
 20 and all other provisions of law applicable to group  
 21 self-insurance funds organized ~~is not required to file any~~  
 22 ~~report with the department under s. 440.38(2)(b) which is~~  
 23 ~~uniquely required of group self-insurer funds qualified under~~  
 24 ~~s. 624.4621. If any of the requirements of this section are~~  
 25 ~~not met, the local government self-insurance fund is subject~~  
 26 ~~to the requirements of s. 624.4621.~~

27 Section 27. Effective October 1, 2001, subsections (6)  
 28 and (7) of section 631.904, Florida Statutes, are amended to  
 29 read:

30 631.904 Definitions.--As used in this part, the term:

31 (6) "Insurer" means an insurance carrier or

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1 self-insurance fund authorized to insure under chapter 440.  
2 For purposes of this act, "insurer" does not include a  
3 ~~qualified local government self-insurance fund, as defined in~~  
4 ~~s. 624.4622, or an individual self-insurer as defined in s.~~  
5 440.385.

6 (7) "Self-insurance fund" means a group self-insurance  
7 fund authorized under s. 624.4621, a commercial self-insurance  
8 fund writing workers' compensation insurance authorized under  
9 s. 624.462, ~~or an assessable mutual insurer authorized under~~  
10 ~~s. 628.6011, or a local government self-insurance fund~~  
11 ~~authorized under s. 624.4622.~~ For purposes of this act,  
12 "self-insurance fund" does not include ~~a qualified local~~  
13 ~~government self-insurance fund, as defined in s. 624.4622, or~~  
14 an individual self-insurer as defined in s. 440.385.

15 Section 28. Effective upon this act becoming a law:

16 (1)(a) There is appropriated \$10 million from the  
17 General Revenue Fund and \$5 million from the Workers'  
18 Compensation Administrative Trust Fund in the Department of  
19 Labor and Employment Security to the Insurance Commissioner's  
20 Regulatory Trust Fund in the Department of Insurance.

21 (b) There is appropriated \$15 million from the  
22 Insurance Commissioner's Regulatory Trust Fund to the  
23 Department of Insurance as receiver of the Governmental Risk  
24 Insurance Trust (GRIT) to cover exclusively and solely the  
25 claims and the administration of claims for injured employees  
26 formerly insured for workers' compensation claims by GRIT.  
27 These funds may not be used for any purpose other than that  
28 specified in this section. Prior to making claim settlements,  
29 the department shall seek a repayment agreement with the  
30 insured employer member for reimbursement of claim payments  
31 and related administrative expenses paid on that member's

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1 behalf. The department shall require reimbursement from the  
2 applicable reinsurer for any claims covered by reinsurance.  
3 The department may contract with third parties to administer  
4 its responsibilities under this section.

5 (2) The Department of Insurance must request  
6 appointment as receiver of the Governmental Risk Insurance  
7 Trust under chapter 631, Florida Statutes, in the Circuit  
8 Court of the Second Judicial Circuit of Florida. If the  
9 department is not appointed receiver, this appropriation is  
10 null and void. Upon the department's appointment as receiver,  
11 the department shall transfer the funds appropriated under  
12 subsection (1) to the receivership account.

13 (3) The State of Florida, the Division of Workers'  
14 Compensation, the Workers' Compensation Administration Trust  
15 Fund, and the Department of Insurance are immune from  
16 liability for any claims, whether those claims are made by  
17 creditors, either secured or unsecured, debtors, or former  
18 insured employer members of GRIT.

19 (4) The department shall report to the Governor, the  
20 President of the Senate, and the Speaker of the House of  
21 Representatives by February 1 of each year on the status of  
22 the implementation of this section.

23  
24 Of the funds remaining after all the liability claims of  
25 insured workers have been resolved, two-thirds of such funds  
26 shall revert to the Insurance Commissioner's Regulatory Trust  
27 Fund and one-third of such funds shall revert to the Workers'  
28 Compensation Administrative Trust Fund.

29 Section 29. Except as otherwise provided in this act,  
30 and except for this section, which shall take effect upon  
31 becoming a law, this act shall take effect October 1, 2000.

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1 ===== T I T L E   A M E N D M E N T =====

2 And the title is amended as follows:

3           On page 3, line 27, after the semicolon,

4

5 insert:

6           amending s. 624.461, F.S.; redefining the term  
7           "self-insurance fund" to include local  
8           government self-insurance funds organized under  
9           s. 624.4622, F.S., for purposes of regulation  
10          by the Department of Insurance; amending s.  
11          624.4621, F.S.; exempting local government  
12          self-insurance funds from the premium tax;  
13          applying other provisions applicable to group  
14          self-insurance funds to local government  
15          self-insurance funds; amending s. 624.4622,  
16          F.S.; conforming changes to requirements for  
17          local government self-insurance funds; amending  
18          s. 631.904, F.S.; revising definitions to  
19          include local government self-insurance funds  
20          in the Florida Workers' Compensation Insurance  
21          Guaranty Association; providing appropriations  
22          to the Department of Insurance to cover  
23          workers' compensation claims of the  
24          Governmental Risk Insurance Trust; authorizing  
25          the department to enter into repayment  
26          agreements with the insured employer and to  
27          require reimbursement from a reinsurer;  
28          authorizing the department to contract for the  
29          administration of claims; authorizing the  
30          department to request appointment as receiver  
31          of GRIT in a specified court; providing that

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1           the appropriation is null and void unless such  
2           appointment is made; immunizing the state and  
3           specified agencies from liability; requiring  
4           the department to report to the Governor and  
5           Legislature; providing for the reversion of  
6           remaining funds;  
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